

October 22, 2014

To: NITC Commissioners
From: Anne Byers
Subject: Community Council Report

Broadband Plan and Video

At the Oct. 28 NITC meeting, I will be asking you to approve the state broadband plan, "Broadband in Nebraska: Current Landscape and Recommendations." The NITC Community Council in partnership with the Nebraska Public Service Commission, University of Nebraska-Lincoln, Nebraska Department of Economic Development, and AIM developed the plan as part of the broadband mapping and planning project funded by a grant from the National Telecommunications and Information Administration to the Nebraska Public Service Commission. The plan incorporates suggestions made by Commissioners at the Aug. 19 NITC meeting, including adding measurable targets and information on the economic impact of broadband. The plan was made available for public comment on Sept. 19, 2014. Additionally, information on the draft plan was presented at the Connecting Nebraska Broadband Conference on Oct. 2, 2014. The plan was further revised to incorporate the handful of comments received. A list of comments is included at the end of this memo.

A video produced by the University of Nebraska highlights the findings. The video is available at <http://www.youtube.com/watch?v=siae3ADCiHQ&feature=youtu.be>.

In my report, I am going to highlight the goals, economic impact, and recommendations.

Goals

The following goals and targets help focus attention on key aspects of the plan and provide a way to assess the state's progress in addressing broadband development:

Increase household adoption of broadband

- Over 90% of households statewide will subscribe to broadband by 2020.

Current: 82%

- 85% of households in rural Nebraska will subscribe to broadband by 2020.

Current: 74%

Increase broadband availability

- Broadband service of 25 Mbps down will be available to 90% of households by 2020.

Current: 74.9% of households

- Broadband service of 1 gbps down will be available to 25% of households by 2020.

Current: 11.5% of households

Support broadband-related development by increasing the number and diversity of IT workers

- At least 1,400 degrees in computer and information science, management information systems, computer engineering, and bioinformatics will be awarded annually by Nebraska colleges and universities by 2020.

Current: 1,113 degrees awarded in 2012

- Women receive at least 25% of the degrees in computer and information science, management information systems, computer engineering, and bioinformatics will be awarded by Nebraska colleges and universities by 2020.

Current: 20% of IT degrees awarded to women

Economic Impact

Broadband is impacting Nebraska's economy in a number of ways¹, including:

- **Expanding Markets by Selling Online.** Over 60% of Nebraska businesses reported selling goods or services online.
- **Increasing Efficiencies and Reducing Costs.** Nebraska businesses reported cost savings averaging 4% due to using the Internet.
- **Creating Jobs.** A 2013 survey of Nebraska businesses found that broadband access to the Internet is having a positive impact on jobs, with 364 respondents reporting a net increase of 654 jobs due to using the Internet.
- **Increasing Revenue.** Broadband access to the Internet is also having a positive impact on business revenue with typical respondents reporting 25 to 45 percent of revenue from the Internet.

National and international research links broadband availability with economic growth. However, broadband adoption appears to have a stronger economic impact than broadband availability, contributing to growth in household income, lower unemployment and other measures of economic success in non-metropolitan counties.²

¹ Strategic Networks Group. (Jan. 31, 2014). Nebraska broadband eSolutions benchmarking report. Retrieved from <http://broadband.nebraska.gov>

² Whitacre, B., Gallardo, R., Strover, S. (March 26, 2013). Broadband's contribution to economic health in rural areas: A causal analysis and an assessment of the 'Connected Nation' program. Retrieved from http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2239876

Recommendations

The following recommendations emerged from discussions with stakeholders:

- Encourage investment in Nebraska's telecommunications infrastructure.
- Enhance the capacity of local communities to address broadband development.
- Encourage the development of a skilled IT workforce.
- Support innovation and entrepreneurship.
- Support the use of broadband technologies in businesses and agriculture.
- Support the development of libraries as community anchor institutions.
- Support the use of broadband in education and health care.
- Support the use of broadband by government and public safety entities.
- Support efforts to attract new residents and retain youth.
- Increase digital literacy and broadband access to the Internet.

Membership. The Community Council recommended the nomination of Jay Anderson to replace Paul Ludwick. A bio for Jay Anderson is below:

Jay has been with Nebraskalink since 2013 and his responsibilities include working with government, education, medical and financial institutions on broadband projects and upgrades. Jay also represents Nebraskalink at many broadband conferences, public relations events and committee meetings throughout the state of Nebraska. Prior to coming over to Nebraskalink he worked at HunTel Systems located in Blair, NE for 15 years. His primary duties included fiber related broadband projects, human resources and data recovery systems.

Prior to beginning work in the telecommunications field Jay worked 8 years as a Law Enforcement Officer in Houston, TX and Washington County, NE. He is also a Navy veteran having served in the Middle East, Somalia, Panama and West Africa.

Jay is the father to two girls, Adeline and Josie, who attend Midland College and Blair High School.

Broadband Plan Comments Received

From Community Council Members

Comment: Jacob Knutson from the Nebraska Department of Economic Development shared statistics on IT graduates which a DED staff member was able to access from the National Center for Education Statistics Integrated Postsecondary Education Data System (IPEDS).

Response: I was not able to break down the IPEDS data by major. We agreed that the data from DED is better data and updated the IT workforce targets on pages 5 and 10.

Comments from Randy Bretz: Again, your presentation at the Kearney Broadband Conference was excellent. I liked your opening comments about "What is Broadband." If there's any way you could include those bullet points in the Broadband in Nebraska Plan, I'd encourage you to do so.

Response: Additional introductory material was added to page 9.

Also, two additional recommendations for you to consider related to the plan.

First, on page 13, I suggest a statement that clearly gives the URL for the Broadband Landscape map on that page, and a statement that notes detail for some urban areas is available as people zoom into the map.

Response: The URL was added to the map.

Second, and I know this is a challenge for a State Agency to suggest, but I feel it is very important for our Unicameral to examine current law and consider modifications to bring those regulations up to date. While I'd like it to be more specific, I feel it's important to note that some legislation in our state needs to be reviewed and revised to appropriately open the door to the further development of this new infrastructure.

Response: The NITC recommends policies and programs which support the use of technology within the existing legal and regulatory framework.

In conclusion, I encourage you to seek opportunities to share the plan through presentations and other means to get the word out about the needs of Nebraska. Perhaps a press release once the plan has been accepted by the NITC.

Response: I can work with the Governor's Press Office on a press release.

From Nebraska Broadband Initiative Members

Comment: Charlotte Narjes from the University of Nebraska suggested including additional information on attracting new residents and retaining youth.

Response: Additional information was added to page 29.

From Conference Participants

Comment: Include information on affordability.

Response: A paragraph on satisfaction and affordability from the household and business surveys was included on page 14.

Comment: Include information on the Latino business survey.

Response: The survey results will most likely be very useful. However, information from the survey is not yet currently available.